



Hyatt Regency Hotel  
Looking Northeast

## REQUEST FOR PROPOSALS

# SALE OF HYATT REGENCY WICHITA HOTEL & CONFERENCE CENTER

WICHITA, KANSAS 67202

**Purchase Bids Due June 22, 2016 at 2:00 pm CDT**

*APRIL 2016*

*Revised: April 26, 2016*



# HYATT REGENCY HOTEL



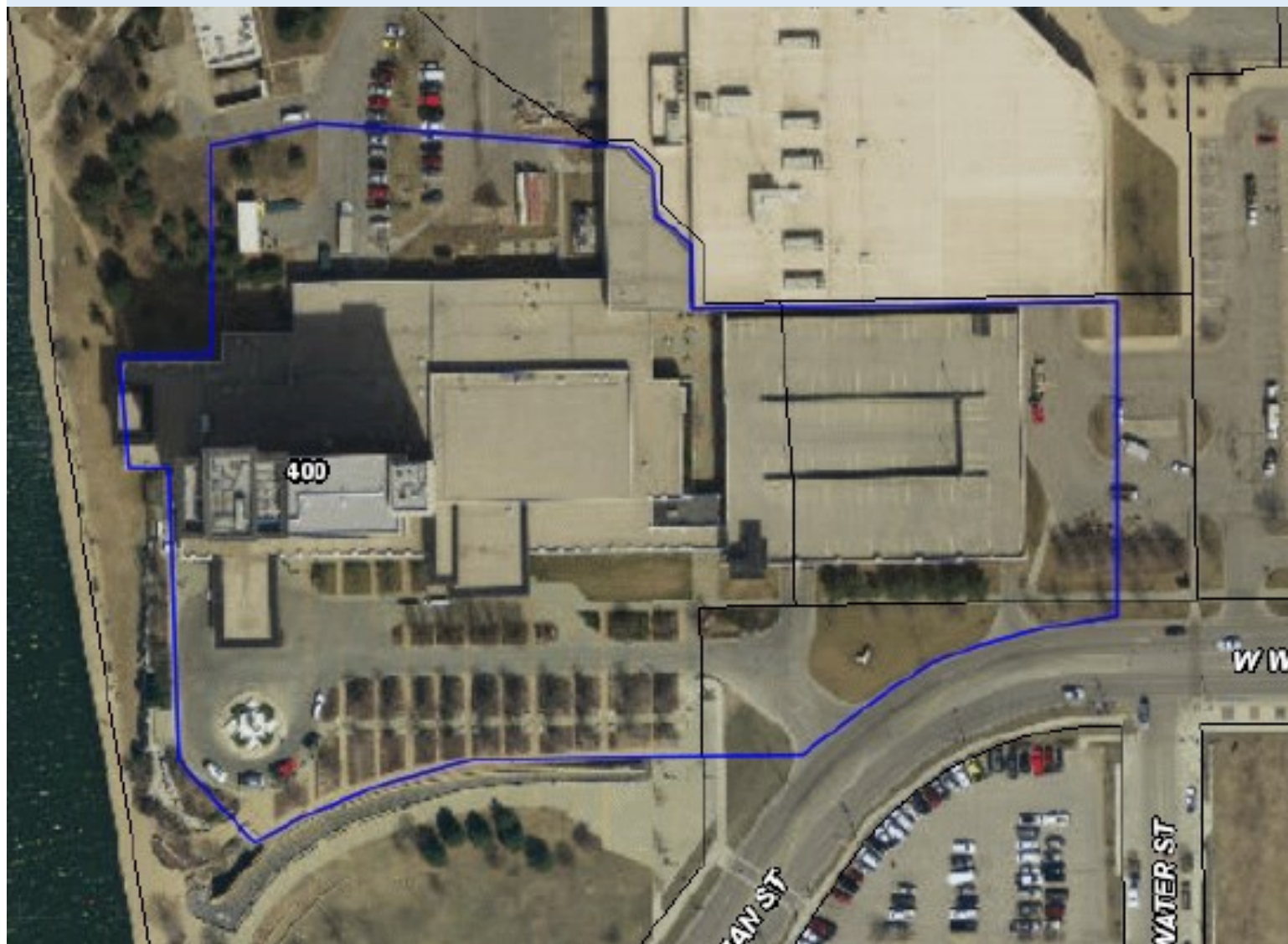
Hyatt Regency  
Looking North

## INTRODUCTION

The City of Wichita is soliciting proposals for the sale of the Hyatt Regency Wichita Hotel and Conference Center. The 303 room property represents an outstanding investment opportunity to own one of Kansas's top hotels located in the heart of a growing Wichita Metropolitan Area (WMA). The WMA is estimated at 750,000 residents and contains one of the highest concentrations of advanced manufacturing jobs in the US. Companies such as Textron, Flight Safety, Cargill, Koch Industries, Spirit Aerosystems and High Touch call Wichita home employing tens of thousands and hosting a constant flow of business travelers.

# REQUEST

Proposals are being accepted by the City of Wichita ("City") for the sale by the City of the Hyatt Regency Hotel located at 400 West Waterman, Wichita, KS 67202 (commonly referred to herein from time to time as "Property", "Hotel" and/or "Hyatt Regency Wichita"). The Property consists of approximately 6.35 acres as depicted in the image below. A final legal description and alta survey will be completed and presented to the successful bidder prior to the closing on the purchase of the Property.



Responses to this Request for Proposal (RFP) shall submit a proposal that addresses the various components set forth in this RFP.

# PROPERTY DESCRIPTION

Experience hospitality at its finest at Hyatt Regency Wichita [wichita.hyatt.com/en/hotel/home.html](http://wichita.hyatt.com/en/hotel/home.html). Set along the Arkansas River, the Hyatt Regency Wichita is one of the premier luxury hotels in Kansas offering modern guestrooms, revitalized meeting and wedding venues and a convenient downtown location. Recently ranked by US News and World Report as one of the two top hotels in Kansas, the state-of-the art 303 room Hyatt Regency is beautifully decorated. The Hotel features over 40,000 square feet of function space, including the Grand Eagle Ballroom, which is the largest ballroom in Wichita. The Hyatt Regency Wichita is also connected to Century II Performing Arts and Convention Center, which contains an additional 200,000 square feet of contiguous exhibit space. The City is currently conducting an evaluation



## PROPERTY DESCRIPTION CONTINUED

of the Convention and Performing Arts facility that may result in a facility improvement plan.

The Hyatt Regency Wichita is less than 12 minutes from the new Dwight D. Eisenhower National Airport providing service from all the major US carriers (American, Delta, United, Southwest & Allegiant). Just minutes from Intrust Bank Arena, Exploration Place, Lawrence Dumont Professional Baseball Stadium, Historic Old Town shopping and entertainment and much more, the Hotel is located at the nexus of activity for the 750,000 residents and businesses that call the Wichita Metro Area home. The hotel also sits adjacent to the scenic Arkansas River and the expanded Riverwalk and is the host hotel for the largest Kansas festival, Riverfest. This multi-day event saw more than 400,000 attendees in 2015. <http://wichita.hyatt.com/content/dam/PropertyWebsites/regency/wicrw/Documents/all/Hyatt-Regency-Wichita-Fact-Sheet.pdf>

## DOWNTOWN REVITALIZATION

Project Downtown: The Master Plan for Wichita was adopted in December 2010 and charts a 20-year vision for downtown Wichita. As outlined in the 2015 State of Downtown Report, 38 development projects have been completed in downtown since 2010 resulting in \$322 million in capital investment. Another 15 projects are under construction or in design, including \$180 million in projects along Douglas, Downtown's primary east-west thoroughfare located only one-half block north of the Property.

## TOP 3 WICHITA AREA HOTELS AND ROOMS (RANKED BY NUMBER OF ROOMS)

- |  |   |  |
|--|---|--|
| 1. HYATT REGENCY WICHITA HOTEL & CONFERENCE CENTER (303) | 2. DOUBLETREE BY HILTON WICHITA AIRPORT (302) | 3. HAMPTON INN AND SUITES-KANSAS STAR CASINO (300) |
|--|---|--|

## WICHITA AREA TOP TEN EMPLOYERS

Company	Industry	Employees
Spirit AeroSystems, Inc.	Aerospace	10,900
Via Christi Health	Healthcare	6,027
USD 259 Wichita	Government / Education	5,620
State of Kansas	Government	4,803
McConnell Air Force Base	Government / Defense	4,576
Koch Industries, Inc.	Multiple	3,600
City of Wichita	Government	2,752
U.S. Government	Government	2,658
Sedgwick County	Government	2,542
Wesley Medical Center & Galichia Heart Hospital	Healthcare	2,072



# AREA CONTEXT

The context in which the Property is located is illustrated below. The Property is highlighted with a green line and is located in downtown on Waterman St., adjacent to the Century II Performing Arts & Convention Center.



## MAP KEY



HYATT REGENCY HOTEL



PARKING STRUCTURES



HOTEL



CURRENT DEVELOPMENT PROJECTS



CULTURAL AMENITY



Family Biking Along Arkansas River



Intrust Bank Arena  
Photo by Craig Hacker



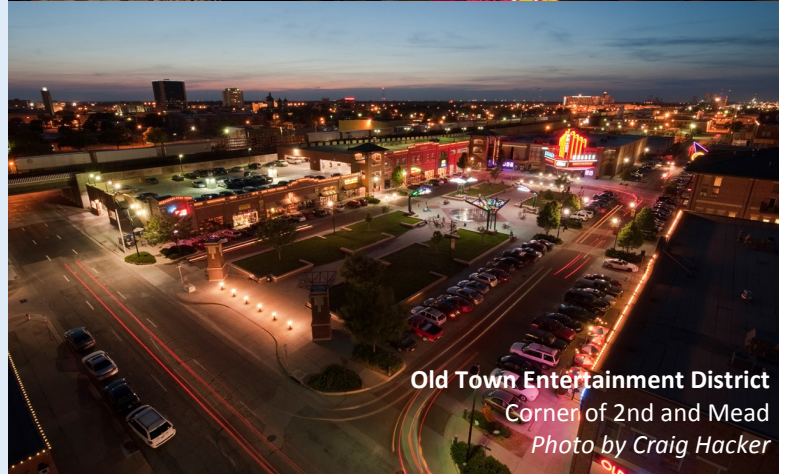
# AREA CONTEXT

Century II Performing Arts  
& Convention Center

Six major community destinations are within blocks of the Property. The Century II Performing Arts and Convention Center is adjacent to the Property towards the north and averages over 450,000 annual attendees at its events. INTRUST Bank Arena is located six blocks east of the Property and averages 420,000 annual attendees at its events. The Museums on the River District is seven blocks northwest of the Property and includes Exploration Place, Mid-America All-Indian Center, Old Cowtown Museum, the Wichita Art Museum, and Botanica, which collectively average 425,000 annual attendees. Lawrence-Dumont Stadium is located two blocks west of the Property and is home to the Wichita Wingnuts and the National Baseball Congress, which together attract over 200,000 spectators annually. The Old Town district is located nine blocks northeast of the Property and is an award-winning historic warehouse district. With more than 100 businesses, Old Town has become a destination sought out for its restaurants, shops, clubs, theaters, galleries, museums, and stores. It has also become a popular place to live and play. With hundreds of newly renovated apartments and luxury condos. Old Town is a vibrant and thriving community. The historic Delano district is seven blocks northwest of the Property. Delano has five blocks of historic row buildings along Douglas Ave. and is home to dozens of unique shops, art galleries and restaurants. Nightlife includes weekly events like the Thursday Night Pub Pedal and monthly events like the Final Friday Art Crawl and 2nd Saturday shopping. The annual Wichita River Festival brings over 400,000 event attendees into the downtown area every summer.



Final Friday Art Crawl  
Photo by Craig Hacker



Old Town Entertainment District  
Corner of 2nd and Mead  
Photo by Craig Hacker



Wingnuts Baseball at Lawrence Dumont Stadium  
Photo by Craig Hacker



Cabela's  
World's Foremost Outfitter





## COMMUNITY PROFILE



**Keeper of the Plains**



**Paragon by Albert Paley**  
*Photo by Craig Hacker*



**The Waterfront**

Over the past century, public/private partnerships have helped transform Wichita into a premier Midwestern city. One of Wichita's first known economic development success stories dates back to the early 1870s. James R. Mead, one of Wichita's founding fathers, met a group of cattle drovers at the Kansas/Oklahoma border and offered incentives to encourage them to take their stock to Wichita instead of another nearby city. This economic development offer began the long history of public/private achievements which helped Wichita develop into the largest city in the state and earned it the designation of the "Air Capital of the World."

Wichita continues to build on its rich history and is nationally recognized for its low-cost, pro-business climate, highly desirable central location and status as a top global trade exporter. These qualities, in concert with economic development programs, provide the foundation for businesses to thrive. Wichita's central location and outstanding transportation system provide convenient and economical access to markets across the country and internationally.

Wichita's diverse cultural attractions are nationally renowned and rival other metropolitan areas of comparable size. The city offers a professional opera, symphony, ballet and music theatres as well as numerous cinematic and performance theatres that stand ready to impress with plays and independent, classic and new films. From traditional to contemporary, the city features a variety of art galleries and world-class museums. Accomplished local musicians and artists entertain and inspire on a monthly basis during the Final Friday art gallery crawl throughout the downtown area.

Outdoor recreational activities abound in Wichita. There are more than 4,300 acres of lush parks and greenways, tranquil botanical gardens, numerous golf courses and more than 102 miles of bike paths. The Arkansas River provides additional recreational opportunities and serves as the centerpiece of the annual Wichita River Festival. It is home to the iconic Keeper of the Plains sculpture which has become a symbol of Wichita and pays tribute to the Native Americans who first inhabited the area.

# CONDITIONS GOVERNING SALE OF PROPERTY

## **A. Offer**

Interested parties must offer to purchase the Property in cash at closing. All bidders must complete and submit the Offer to Purchase (Attachment A) indicating the amount offered for the Property. All valid offers shall remain open for 60 days from the opening date of the RFP and the City reserves the right to formally accept or reject any offer within that time period.

## **B. City of Wichita, Hyatt Hotel Management Agreement**

The City of Wichita and Hyatt Hotels Corporation of Kansas (“Hyatt”) entered in a certain hotel management agreement that runs through December 31, 2026 (“Management Agreement”). A copy of the Management Agreement can be viewed and printed by opening the link, [Hyatt Hotel Management Agreement](#). The sale of the Hotel will require the new buyer to accept the assignment of and fully assume the Management Agreement and continue to have Hyatt operate the Hotel, meeting space and garage through the life of the Management Agreement.

## **C. Purchase Price**

Purchase price must be paid in cash at closing.

## **D. Title and Escrow Costs**

The City agrees to provide the successful bidder (“ Buyer”) with a special warranty deed along with a standard owner’s title policy for the Property in the escrow agent’s (hereinafter described) standard owner’s coverage form and to pay the cost of recording a deed in favor of the Buyer. Buyer shall pay for any extended form of title insurance coverage as determined and requested by the Buyer. All other escrow and collected costs to close will be paid by the Buyer.

## **E. Commission**

Any and all commission to be paid to an agent or broker shall be paid by the Buyer and shall not be deducted from the Purchase Price.

## **F. Earnest Money Deposit**

Sealed proposals must include a minimum earnest deposit of 10% (“Earnest Money”) of the proposed Purchase Price, in the form of a certified or cashier’s check, payable to the City of Wichita and must be submitted together with the signed Offer to Purchase (Attachment A). The Earnest Money will be returned to all unsuccessful bidders within 60 days of the proposal due date. If a bidder’s proposal is accepted, the Earnest Money will be applied against the purchase price and/or costs for closing on the purchase herein.

## **G. Mandatory Pre-Proposal Conference and Tour**

A mandatory Pre-Proposal Conference (“Conference”) and property tour will be held on Wednesday, May 18, 2016 at 2:00 p.m. CDT. Attendance can either be in person or via teleconference. The location of the Conference and walk through will be at the Hyatt Regency Board room.

Those attending the Conference, either in person or via teleconference, will receive a City of Wichita Hyatt Regency Development Packet (“Development Packet”), which will include confidential hotel financial and performance information that will be distributed at the conference. Only those in attendance and who have signed the mandatory [Non-Disclosure Agreement](#) prior to attendance will be provided with the Development Packet. Failure to attend the Mandatory Pre-Proposal Conference will eliminate parties or individuals from purchase consideration. Representatives from the City of Wichita, Hyatt and the City’s Asset Manager consultant will be in attendance. Oral explanations or instructions provided at the Conference shall not be considered binding on the City.



# CONDITIONS CONTINUED

## Requirements to attend Pre-Proposal Conference:

Each party and or their agent(s) must sign and submit the required [Non-Disclosure Agreement](#) (NDA) prior to the start of the conference. Failure to sign and submit prior to start of the conference will prevent interested parties from attending the conference and receiving the Development Packet. A copy of the NDA is attached. The NDA is not open to modification.

Each party shall submit a \$1,000 Pre-Proposal Conference and Tour attendance non-refundable fee in order to attend, receive the Development Packet and be eligible to submit questions or requests for additional information. The Fee may be submitted via wire or by check but must be received by May 17.

### Wiring Instructions

### Check Instructions

Reference: Hyatt Pre-Proposal Conference and Tour Fee

Routing # 101100029

Payable to: City of Wichita

Account # 41843649

Mail Check and NDA to:

Include Company Name

City of Wichita

Send a confirmation email and signed NDA to  
SRigby@wichita.gov

Office of Urban Development  
455 N. Main—13th Floor  
Wichita, KS 67202

## H. Submission of Proposal

To be considered, sealed Offers to Purchase must be submitted no later than 2:00 p.m. CDT on Wednesday June 22, 2016. An original must be mailed or delivered to:

**City of Wichita Purchasing Office**  
**Attn: Purchasing Manager**  
**455 North Main, 12th Floor**  
**Wichita, KS 67202**

The outside of the packet or envelope should be marked "Offer to Purchase the Hyatt Regency Wichita 400 West Waterman, Hyatt RFP." Hand delivered/couriered bids should be directed to City of Wichita Purchasing Office where they will be date stamped and held until bid opening. Late submittals will not be considered.

## I. Provision of Notices

Those interested in submitting an Offer to Purchase are encouraged to provide contact information to Scot Rigby, Assistant City Manager at [srigby@wichita.gov](mailto:srigby@wichita.gov). Providing contact information will allow the City to provide notification if an addendum to the RFP is issued or the RFP is cancelled. Those who choose not to provide contact information are responsible for checking the City's website for any issued addenda or a notice of cancelation.

## J. Evaluation Criteria for Award

The successful Bidder will be determined by the City based on the Offer to Purchase amount, evidence of financial capacity to own and maintain the property, current and/or previous hotel ownership and management experience, and any exceptions and contingencies identified by the Bidder. In addition to the amount of the Offer to Purchase, the City will take into account contingencies and exceptions contained in each offer proposal. The sale of the property is subject to final approval of the City of Wichita City Council. The City reserves the right to reject any and all offers.



## CONDITIONS CONTINUED

### K. Schedule

Pre-Proposal Conference Walk Through:	May 18, 2016 at 2:00 p.m. CDT
Questions due to City:	May 30, 2016 at 3:00 p.m. CDT
Offer to Purchase Bid Closing:	June 22, 2016 at 2:00 p.m. CDT
Posting of Bid Opening Results:	June 24 at 2:00 p.m. CDT
Offer to Purchase Award by City Council (Optional):	July 5, 2016
Open Escrow:	July 11, 2016
Closing Deadline:	No Later than 60 days from Purchase Award by Council

This schedule is subject to change. All times are Central Daylight Time.

### L. Exceptions to this Request for Proposal

Any exceptions from the provisions of this Request for Proposals, which are desired by the Bidder, shall be specifically noted in the Offer to Purchase submitted, including additional requirements or requests. The exceptions to be listed shall include any contingencies to closing the transaction including but not limited to financing and feasibility contingencies.

## QUESTIONS

Questions regarding the Request for Proposal (RFP) or the need for additional data or information should be submitted in writing by email to [srigby@wichita.gov](mailto:srigby@wichita.gov) no later than 3:00 p.m. May 30, 2016. The City will post a Q&A document after the deadline for written questions and a link will be emailed to those who have provided contact information and who have signed the required [Non-Disclosure Agreement](#). It is recommended that all interested parties visit and tour the Wichita region before submitting a proposal.

## CONFLICT OF INTEREST INFORMATION

Information on possible conflicts of interest should be provided in the Offer to Purchase. Such information will be taken into account in making a decision on the selection of the Bidder. Should a conflict arise during the RFP process, the Bidder shall immediately advise the City of such conflict.



**OFFER TO PURCHASE REAL PROPERTY**

**RFP**

To: Scot Rigby, Assistant City Manager  
City of Wichita  
455 North Main, 13th Floor  
Wichita, KS 67202

\_\_\_\_\_, herein called the "Buyer," hereby offers and agrees to purchase from the City of Wichita ("City") at the price and subject to the terms and conditions contained in this offer, the following described real property ("Property"):

The entire parcel described above contains 6.35 acres and the buildings on the Property consist of a 16-story Hyatt Regency Hotel and approximately 40,000 square feet of hotel meeting space. Additionally the Property consists of a 500-stall covered parking structure. The Escrow Agent shall be Security 1<sup>st</sup> Title of Kansas as agent for First American Title Insurance Company. Transfer of the Property and Hotel Management Agreement shall be by Special Warranty Deed. The purchase of the Property shall also include, if not expressly controlled by the Management Agreement, such bills of sales or assignment and assumption of the contracts for the full use of the Property for its current use.

Closing shall be within (60) days of acceptance of this Offer to Purchase, unless otherwise agreed to by the parties. This sale is subject to approval by the City of Wichita City Council, and the City reserves the right to reject all offers.

**SUBMITTAL:** To ensure proper identification and handling, submit your Offer in a sealed envelope or packet. This Offer may be hand delivered or mailed, and must be delivered by the date and time due to:

**City of Wichita Purchasing Office  
Attn: Purchasing Manager  
455 North Main, 12th Floor  
Wichita, KS 67202**

Hand delivered/couriered bids should be directed to the City of Wichita Purchasing Office where they will be date and time stamped and held until bid opening.

Timely delivery of the Offer to Purchase is the sole responsibility of the Bidder. Late offers, as determined by the City's time/date stamp, will not be accepted. All offers shall remain valid for a period of 60 days from the RFP opening date.



The successful Bidder will be determined by the City based on the Offer to Purchase amount, evidence of financial capacity to own and maintain the property, current and/or previous hotel ownership and management experience, and any exceptions and contingencies identified by the Bidder. Bids must remain valid for 60 days from the bid opening date during which time the City may accept or reject any Offer to Purchase.

### **Bidder Hotel Owner and Operator Experience**

Company/Bidder Overview: Please provide an overview of the purchasing company or entity and each of the following items:

- Brief overall history of the company, principal owners and/or party
- Outline a long term vision for the Hyatt Regency Wichita property

### **Evidence of Financial Capacity to Purchase and Maintain Hyatt Property**

All Bidders shall provide a copy of the entity's previous two years of audited financial statements and current year operating budget. All information shall be provided in electronic format, either CD and/or memory drive, and will remain confidential and will only be reviewed by a contracted, third party financial consultant. LLCs or entities without assets and/or evidence of existence of less than two years, shall provide parent company's financials of previous two years and current year operating budget.

## **Bidder Hotel Owner and Operator Experience (continued)**

Please list separately each, full service, three star or higher-rated hotel(s) that Bidder has either previously owned or currently owns. Please answer all questions for each listed hotel property. Bidder agrees and consents that the City may contact listed hotel management company.

### **A. Hotel Ownership History**

- a. Please list each hotel, hotel flag, and geographic location of each full service hotel with over 200 rooms and containing a minimum of 10,000 square feet of meeting space.
  - i. Name of hotel
  - ii. Number of rooms
  - iii. Amount of meeting space
  - iv. Geographic location (City, State/Province, Country)
  - v. Hotel flag: (i.e., Marriott, Starwood, Hilton, IHG)
  - vi. Structure of ownership, such as sole or joint venture (JV)
  - vii. If a hotel is listed as JV, please identify whether it is a majority or minority ownership for Bidder
  - viii. Date acquired
  - ix. Date of last significant capital and/or FF&E renovation completed
  - x. List any and all periods where listed hotel was in receivership and or was delinquent in federal, state or local taxes under Bidder ownership
  - xi. Hotel management operator
  - xii. Hotel management contact information
  
- b. Hotels, either full or select service, fewer than 200 rooms
  - i. Name of hotel
  - ii. Number of rooms
  - iii. Amount of meeting space
  - iv. Hotel flag: (i.e., Marriott, Starwood, Hilton, IHG)
  - v. Geographic location (City, State/Province, Country)
  - vi. Structure of ownership, such as sole or joint venture (JV)
  - vii. If a hotel is listed as JV, please identify whether it is a majority or minority ownership for Bidder
  - viii. Date acquired
  - ix. Date of last significant capital renovation and/or FF&E update completed
  - x. List any period where listed hotel was in receivership and or was delinquent in federal, state or local taxes under Bidder ownership
  - xi. Hotel management operator
  - xii. Hotel management contact information



## OFFER TO PURCHASE

Total Purchase Price Offered: \$ \_\_\_\_\_

Earnest Money Deposit (10%): \$ \_\_\_\_\_

Balance Due on Closing: \$ \_\_\_\_\_

**Agent Commission and other closing costs attributed to the Buyer are the responsibility of the Buyer and are not included in the purchase price.**

### **ATTACHED CERTIFIED OR CASHIER'S CHECK AS EARNEST MONEY DEPOSIT (Minimum 10%)**

Name of Buyer: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone#: \_\_\_\_\_

Email Address: \_\_\_\_\_

Date: \_\_\_\_\_

Agent (if applicable): \_\_\_\_\_

Agent address: \_\_\_\_\_

Agent phone & email: \_\_\_\_\_

**Please List Exceptions and Contingencies to the RFP (use additional pages if necessary):**

Signature of Buyer: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signature of Agent (if applicable) \_\_\_\_\_

Print Name and Title: \_\_\_\_\_

Date: \_\_\_\_\_

Notary: \_\_\_\_\_

Date: \_\_\_\_\_



# RESOURCES

*All additional reference documentation listed below can be found at <http://www.wichita.gov/RFQ>*

## 1. City of Wichita Economic Development Brochure

<http://online.wichita.gov/urbandevbrochure/>

## 2. Greater Wichita Partnership Economic Development Assistance

<http://www.greaterwichitapartnership.org/>



### INQUIRIES:

Scot Rigby, Assistant City Manager  
City of Wichita  
City Hall — 13th Floor  
455 N. Main St.  
Wichita, KS 67202  
(316) 268-4524  
[srigby@wichita.gov](mailto:srigby@wichita.gov)